

Diesel and Alternative Fuels Tax

The Special Fuels Tax Act was repealed by the ninety-third Legislature with the passage of LB 1160 and was replaced with the Diesel Fuel Tax Act and the Alternative Fuel Tax Act. This legislation became effective on July 1, 1994. (Additional legislative changes are anticipated.)

Diesel fuel includes all combustible liquids suitable for use in diesel-powered motor vehicles. It does not include kerosene. Undyed diesel fuel is subject to tax when it is imported into the state. This does not apply to dyed diesel fuel which is not

subject to tax. A taxable import occurs when: (1) the fuel is withdrawn from a Nebraska pipeline terminal facility; or (2) the fuel is imported into Nebraska via truck or rail. Diesel fuel stored at a Nebraska pipeline terminal facility is not subject to the tax.

Alternative fuel is defined as propane, compressed natural gas, liquefied petroleum gas, liquefied natural gas, electricity, and any other source of energy used to power a motor vehicle, except motor vehicle fuels and diesel fuel.

Table 18

Diesel Fuel Net Taxable Gallons and Net Tax Due

Month	1996 Taxable Gallons	1995 Taxable Gallons	Percent Increase or (Decrease)	1996 Tax Due	1995 Tax Due	Percent Increase or (Decrease)
January	20,245,070	20,614,763	-1.79%	\$ 5,089,946	\$ 4,973,433	2.34%
February	18,988,050	17,688,766	7.35	4,761,591	4,252,840	11.96
March	21,275,722	20,954,389	1.53	5,307,009	5,020,538	5.71
April	21,807,522	21,079,940	3.45	5,582,473	4,474,639	24.76
May	20,648,289	21,381,917	-3.43	5,312,262	4,114,206	29.12
June	21,137,492	22,796,589	-7.28	5,400,545	5,579,186	-3.20
July	21,596,293	19,267,264	12.09	5,724,965	4,640,051	23.38
August	21,526,996	21,733,304	-0.95	6,135,070	5,719,690	7.26
September ...	21,201,801	20,341,252	4.23	5,554,994	5,623,046	-1.21
October	25,832,888	22,898,888	12.81	6,545,722	5,664,491	15.56
November	21,795,116	20,854,849	4.51	5,479,982	5,131,308	6.80
December	19,841,743	18,849,658	5.26	5,005,655	4,670,263	7.18
Totals	255,896,982	248,461,579	2.99%	\$65,900,214	\$59,863,691	10.08%

Aircraft Fuels Tax

Aircraft fuels tax is imposed upon the importing, producing, refining, manufacturing, compounding, or blending of aircraft fuels in Nebraska for use, distribution, sale or delivery in this state. Aircraft fuels include aircraft gasoline, jet fuel, or any other fuel used exclusively for propelling aircraft.

The tax rate for aviation gasoline is five cents per gallon and the tax rate for aviation jet fuel is three cents per gallon. Revenue from the aircraft fuels tax is credited to the Department of Aeronautics Cash Fund.

Table 19

Aircraft Fuels Net Taxable Gallons and Net Tax Due

Month	1996 Taxable Gallons	1995 Taxable Gallons	Percent Increase or (Decrease)	1996 Tax Due	1995 Tax Due	Percent Increase or (Decrease)
January	4,224,529	3,890,889	8.57%	\$ 125,472	\$ 115,930	8.23%
February	3,972,042	3,373,672	17.74	118,941	101,188	17.54
March	4,381,106	4,065,888	7.75	131,521	122,711	7.18
April	4,300,555	3,794,166	13.35	130,713	115,183	13.48
May	4,108,653	4,135,663	-0.65	124,693	126,016	-1.05
June	4,416,457	4,246,417	4.00	128,519	117,271	9.59
July	4,376,072	3,525,412	24.13	149,845	110,015	36.20
August	4,651,280	4,961,643	-6.26	145,690	157,948	-7.76
September	4,437,969	4,137,693	7.26	133,509	124,244	7.46
October	4,738,225	4,494,602	5.42	141,058	133,736	5.47
November	3,923,436	4,184,088	-6.23	117,065	125,780	-6.93
December	4,329,642	4,271,809	1.35	134,018	128,637	4.18
Total	51,859,966	49,081,942	5.66%	\$1,581,044	\$1,478,659	6.92%